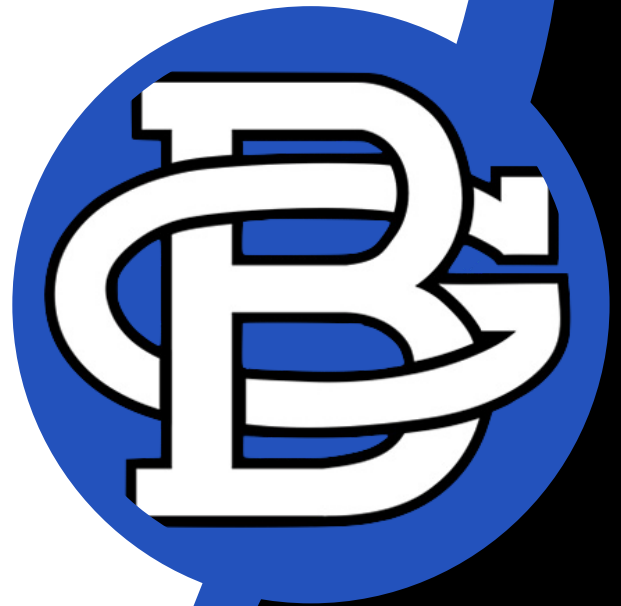


# **PORTER TOWNSHIP SCHOOL CORPORATION**

**THURSDAY, JANUARY 8, 2026**

Board of Finance  
Meeting  
5:45 PM CST



**Natalie Wargo, President**  
**Eric McGinty, Vice-President**  
**Mary Harlow, Secretary**  
**Lilann Sgouros, Member**  
**Jeannette Skibbie, Member**

# Porter Township School Corporation

248 South 500 West  
Valparaiso, IN 46385  
219-477-4933 ext. 1000

STACEY M. SCHMIDT, Ph.D.

Superintendent

BEN PARRISH

Assistant Superintendent

KATHLEEN SMITH

CFO/Treasurer



## AGENDA

### BOARD OF FINANCE OF PORTER TOWNSHIP SCHOOL CORPORATION

THURSDAY, JANUARY 8, 2026

5:45 pm

*This meeting is a meeting of the School Board for the purpose of conducting the School Corporation's business and is not to be considered a public community meeting. The meeting site is fully accessible. Any person needing further accommodations should contact the Superintendent.*

1. **CALL TO ORDER** – Dr. Natalie Wargo
2. **CONFIRMATION OF BOARD OF FINANCE MEMBERS & ELECTION OF OFFICERS**
  - A. **President**  
Motion \_\_\_\_\_ Second \_\_\_\_\_
  - B. **Secretary**  
Motion \_\_\_\_\_ Second \_\_\_\_\_
3. **PRESENTATION OF INVESTMENT REPORT WITH INVESTMENT POLICY #6144** – Mrs. Kathleen Smith
4. **FISCAL INDICATORS PRESENTATION** – Mrs. Kathleen Smith
5. **ADJOURNMENT**  
Motion \_\_\_\_\_ Second \_\_\_\_\_

Inv. Acct	Inv. Number	Purchase Date	Redemption Date	Issued By	Initial Investment	Investment Balance	Interest Percent	Anticipated Interest	Interest Received
0610.00	3	11/25/2025	07/25/2026	1st Source Bank	500,000.00	500,000.00	3.75	12,365.21	.00
0300.00	4	11/25/2025	05/25/2026	1st Source Bank	500,000.00	500,000.00	3.73	9,248.36	.00
TOTAL ALL INVESTMENTS					1,000,000.00	1,000,000.00		21,613.57	.00

Book	Policy Manual
Section	6000 Finances
Title	INVESTMENT INCOME
Code	po6144
Status	Active
Adopted	June 21, 2001
Last Revised	October 14, 2019

#### **6144 - INVESTMENT INCOME**

The School Board authorizes the Superintendent or the Business Manager to make investments of available monies from the several funds of the School Corporation in bonds, bills, or notes of the United States; obligations, the principal and interest of which are fully guaranteed by the United States; or obligations of the State; and/or certificates of deposit issued by financial institutions organized and authorized to operate in this State.

The purpose of the investments is to maximize the returns on the Corporation's excess cash balances consistent with safety of those monies and with the desired liquidity of the investments.

Investments in U.S. Treasury securities and those other securities completely guaranteed by the Treasury as to payment of principal and interest may be purchased in any dollar amount up to 100% of the available reserves.

All investments must mature or be redeemable within two (2) years of the date of purchase, not to exceed two (2) years.

The Business Manager is authorized to contract with a depository for the operation of a cash management system under the following conditions:

- A. the contract is in writing
- B. the contract provides for the investment of funds by the depository
- C. the depository keeps all records concerning investment cash management
- D. the investments are made in accordance with State law with maturities not to exceed two (2) years

The Business Manager shall include in the monthly report to the Board all cash in all accounts on deposit as well as the investment assets of the Board.

The Board also requires the Business Manager or Superintendent to report to the Board monthly the types and amounts of each investment and the interest earned on each; and/or the transactions occurring since the last report.

Money in the several funds of the Corporation may be commingled for the purpose of making an investment. The Treasurer also may join with other school treasurers, political subdivisions and other governmental entities for the purpose of investing Corporation funds pursuant to an interlocal cooperation agreement under I.C. 36-1-7. S/He shall account for such investments separately.

The Board may authorize the Board's investing officer to invest in certificates of deposit from depositories that have been designated by the State Board of Finance as a depository for State funds under I.C. 5-13-9-5 but have not been designated by the Corporation's Board of Finance established by Board Bylaw 0151.1. This authorization shall be in the form of a resolution approved by the Board. Such resolution must provide that the authority to invest in these certificates of deposit granted by the resolution expires on a date that is not later than two (2) years after the date of the Board's vote adopting the resolution.

Legal

I.C. 5-13-9, 20-26-5-4

I.C. 5-13-9 –Deposit and investment of public funds

I.C. 5-13-9-5(a) – Authorization to invest in certificates of deposit

I.C. 20-26-5-4 – Specific powers

I.C. 20-26-10-9 – Joint Investment fund; administration; designated depositories

I.C. 36-1-2-10 – "Municipal corporation" defined to include "school corporation"

I.C. 36-1-2-13 – "Political subdivision" defined to include "municipal corporation"

State Board of Accounts Public Schools Manual Part 14

I.C. 36-1-7 - Interlocal Cooperation

**PORTER TOWNSHIP SCHOOL CORPORATION**  
**BOARD OF SCHOOL TRUSTEES**  
**Board of Finance**

Date of Report: January 8, 2026

Officers: Natalie Wargo, President  
Eric McGinty, Vice-President  
Mary Harlow, Secretary  
Lilann Sgouros, Member  
Jeannette Skibbie, Member

**INVESTMENT INCOME:**

Some corporation funds are held in an interest-bearing checking account at:

1<sup>st</sup> Source Bank  
Valparaiso Banking Center  
2356 W Morthland Dr  
Valparaiso, IN 46385

TrustINDiana  
171 17<sup>th</sup> Street, Suite 1850  
Denver, CO 80202

2025 Interest earned: \$ 282,375.68

In 2025 we had 2 investments in CD's. Our current investment policy 6144 is attached and the investment report is attached.

**CANCELLATION OF OLD CHECKS per Public Schools Corporation Manual (State Board of Accounts):**

All warrants or checks, outstanding and unpaid for a period of two or more years as of December 31 of each year, shall be declared void, IC 5-11-10.5-2. Not later than March 1 each year, the treasurer shall prepare or cause to be prepared a list in duplicate of all checks outstanding for two or more years as of December 31 last preceding, IC 5-11-10.5-3. The original is to be filed with the Board of Finance of the school corporation and the duplicate shall remain with the school treasurer. Contents of the list shall be as required by IC 5-11-10.5-4.

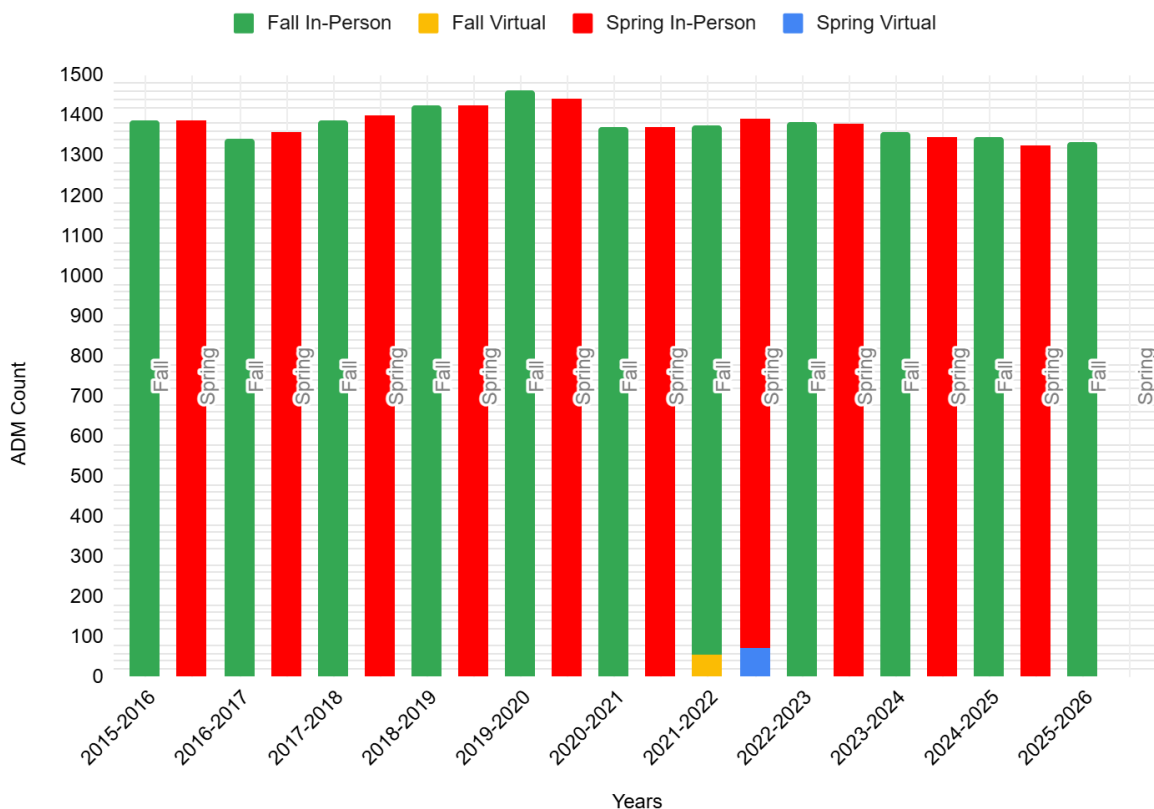
The treasurer shall enter the amounts so listed as a receipt to the fund or funds upon which they were originally drawn and remove the checks from the list of outstanding checks. If the fund on which the checks were originally drawn is not in existence, or cannot be ascertained, the amount of such checks shall be receipted to the General Fund, IC 5-11-10.5-5.

Vendor 2 yr. old checks to be voided total: \$ 75.00 PLE ck#6596 – Unclaimed Property  
\$ 20.40 Food Service ck#2538  
\$ 22.45 Food Service ck#2548

## FISCAL INDICATORS:

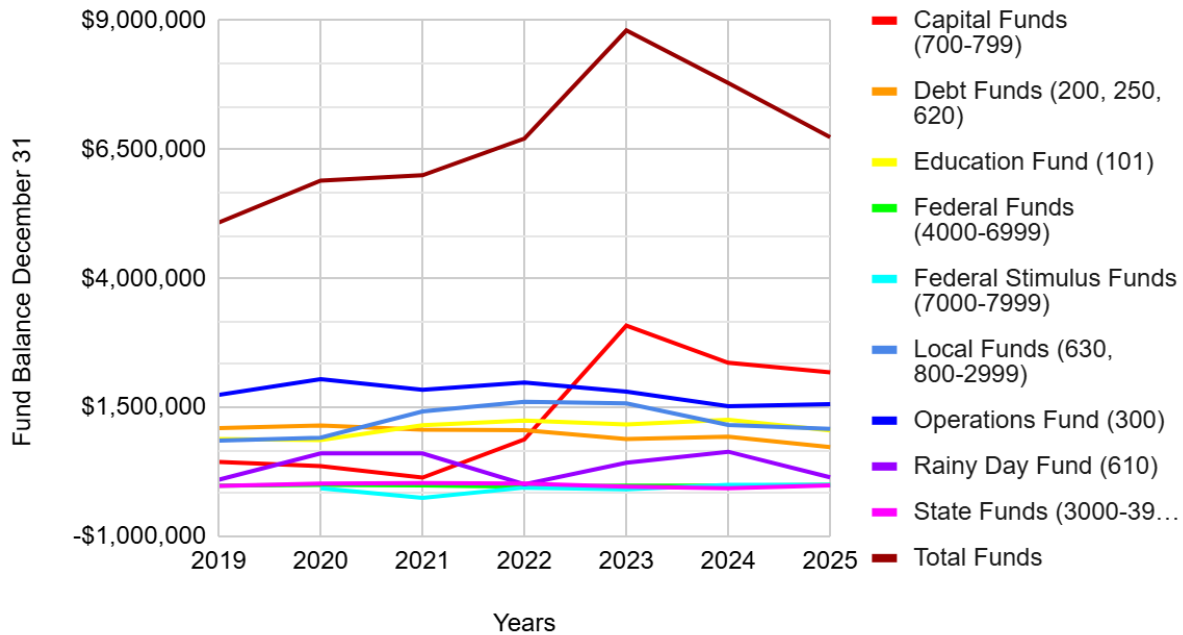
During the 2019 legislative session, Senate Enrolled Act 549 (“SEA 549”) added a new requirement for school corporations pertaining to the Fiscal Indicators. During a school corporation’s annual Board of Finance meeting, the superintendent of the school corporation or the superintendent’s designee shall submit a written report to the Board of Finance that assessed the financial condition of the school corporation using the indicators presented below. This past year, I was able to recreate the DUAB fiscal indicators on a google sheets. I did this so what I reported to you was not 1 year behind. Now you cannot only see 2024’s figures, but also 2025’s.

## ADM Comparison



**ADM** – Porter Township School Corporation’s Average Daily Membership began a decline in student enrollment during the second semester of the 2019-20 school year. This was due to the Pandemic which began in March of 2020. Our hope was this would return to our previous levels pre-Pandemic, but we have still seen a declining trend. This is a nationwide trend. The ADM numbers however are leveling out with only a loss in 2025 of 16 students. With the graduation of our last large class, these levels in the future should remain fairly constant.

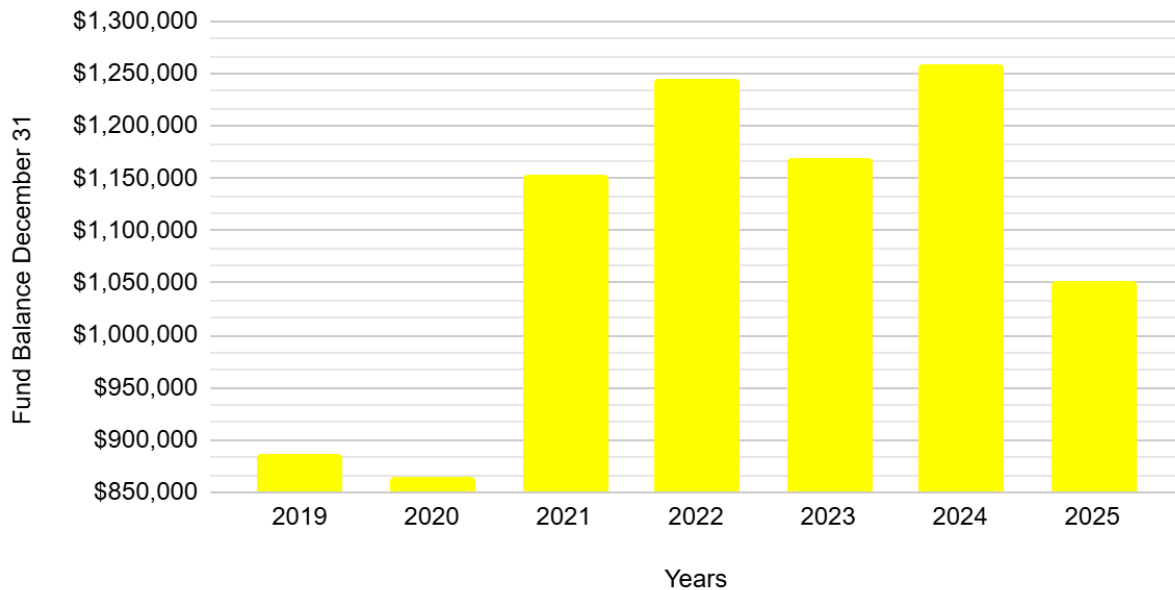
## All Funds



**Fund Balances** – The first thing you notice on this graph is the drop in our total fund balances. This large swing is related to our 2023 GO Bond. We are spending these dollars on capital projects throughout the district. The Rainy Day decrease from 2024 to 2025 was related to CD investments. Any deficits were related to Federal funding being on a reimbursable basis.

## Education Funds

(101)



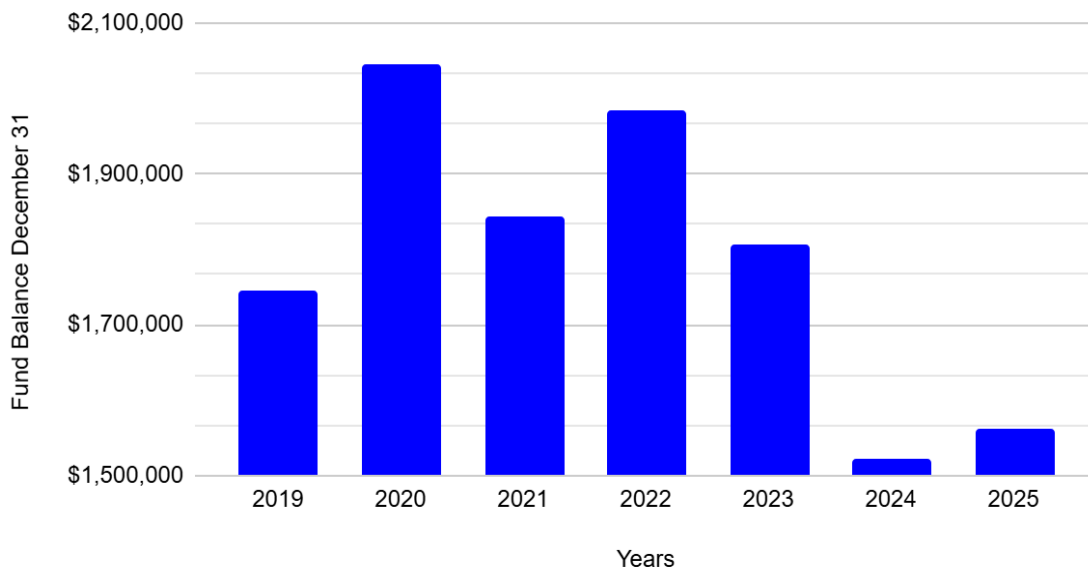
The Education fund balance dropped in 2022 to 2023 due to teacher raises. In 2024 we gave a smaller raise but did not transfer as many dollars from the Education Fund to the Operations



Fund to prepare for future raises. In 2025 the legislature passed SEA 1 which will cut our property taxes over the next several years affecting our Operations fund. Therefore, we began transferring more dollars to cover the loss of property taxes in the coming years and opted to use matriculation of jobs to save money and a stipend to staff to not have an ongoing commitment of dollars.

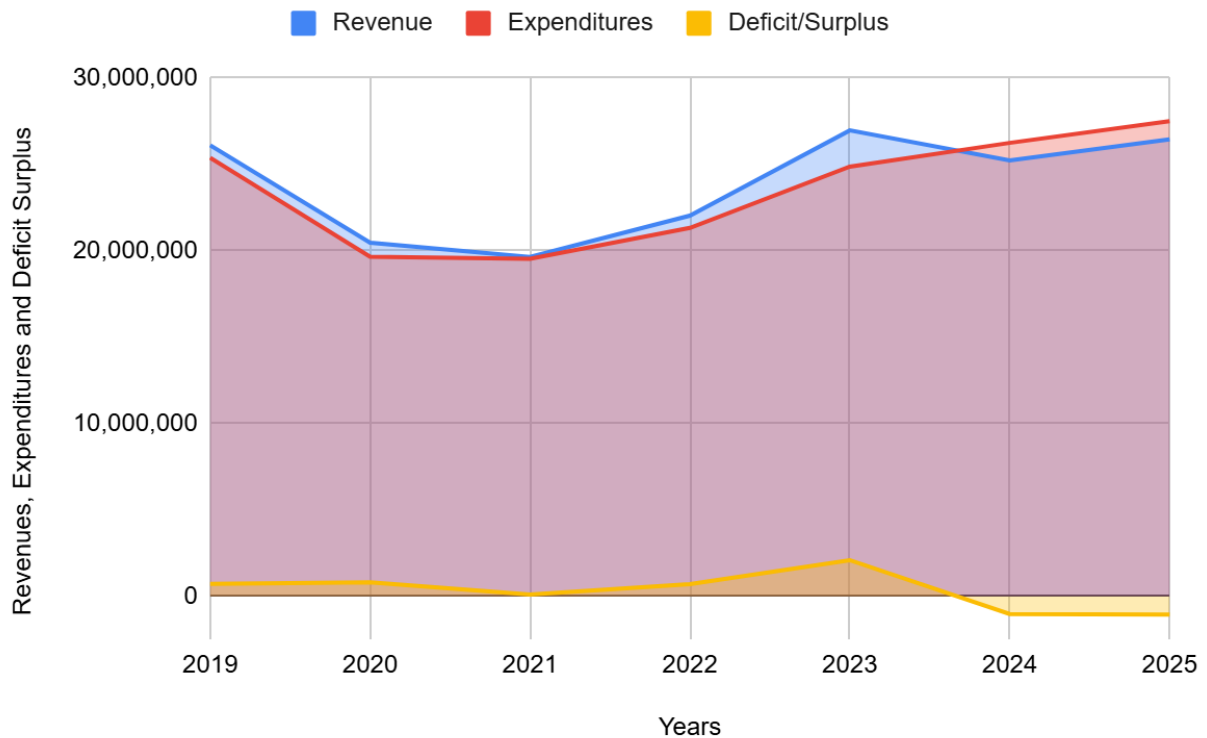
## Operations Fund

(300)



As you can see in this graph the operations funding decreased dramatically from 2022 to 2024. This again was due to our corporation is not transferring as much money from the Education Fund to the Operations Fund during the year. By changing our plan of thought due to SEA 1 and transferring more dollars from Education to Operations, cutting operational costs where we could, and using the matriculation of jobs we were able to raise our fund balance slightly.

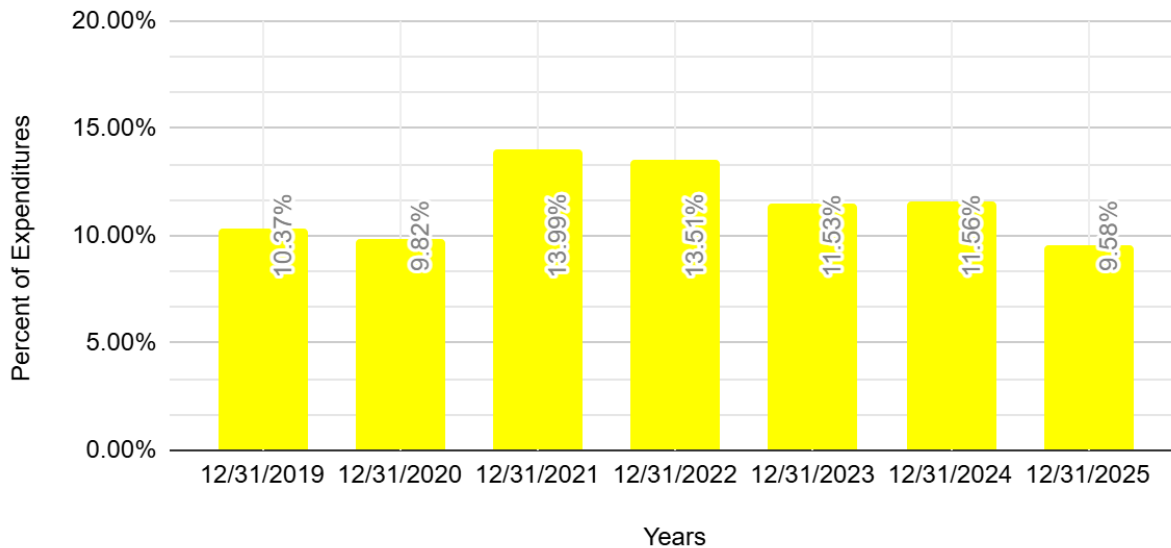
## Total Annual Deficit/Surplus



**Annual Deficit/Surplus** – This graph really tells the story of our financial picture. In 2024 and in 2025 we are spending more than the revenue we receive. As a team we saw this trend occurring in 2024 and began then and all throughout 2025 our plan of reductions in costs and matriculation of jobs. We are looking at our Wolf Pack motto “Every student. Every day. To their fullest potential.” And using it to make our decisions. We are analyzing each invoice or purchase to see if this is a necessary cost or can we save the money by not renewing and still not compromise our motto. When an employee leaves, do we need to keep this position by making it part time or just eliminate it all together also keeping in mind our motto. SEA 1 unfortunately really sped up the process and we have begun looking at other revenue options.

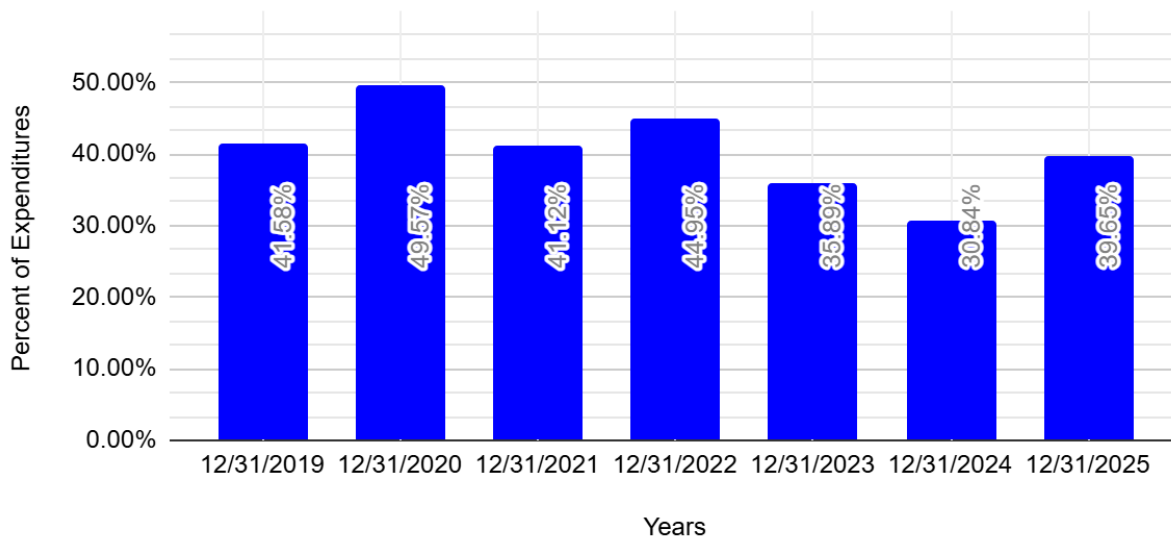
## Education Year End Fund Balances as a Percent of Expenditures

Income is steady during all months



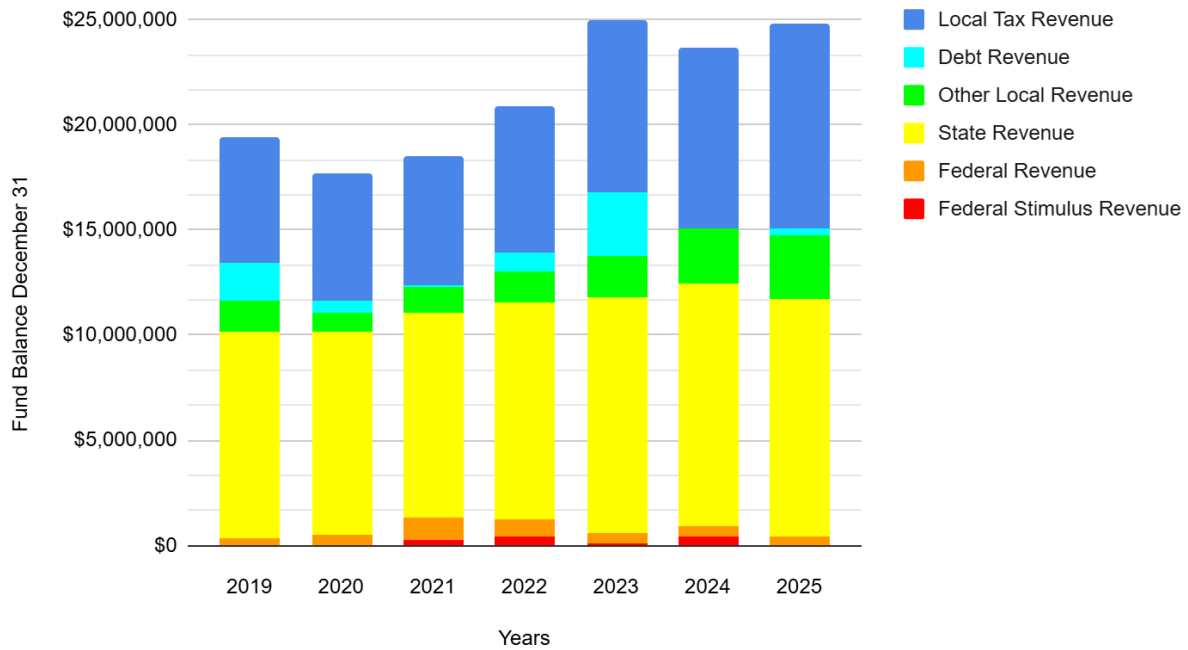
## Operations Year End Fund Balances as a Percent of Expenditures

Lowest Fund Balances are in April and October



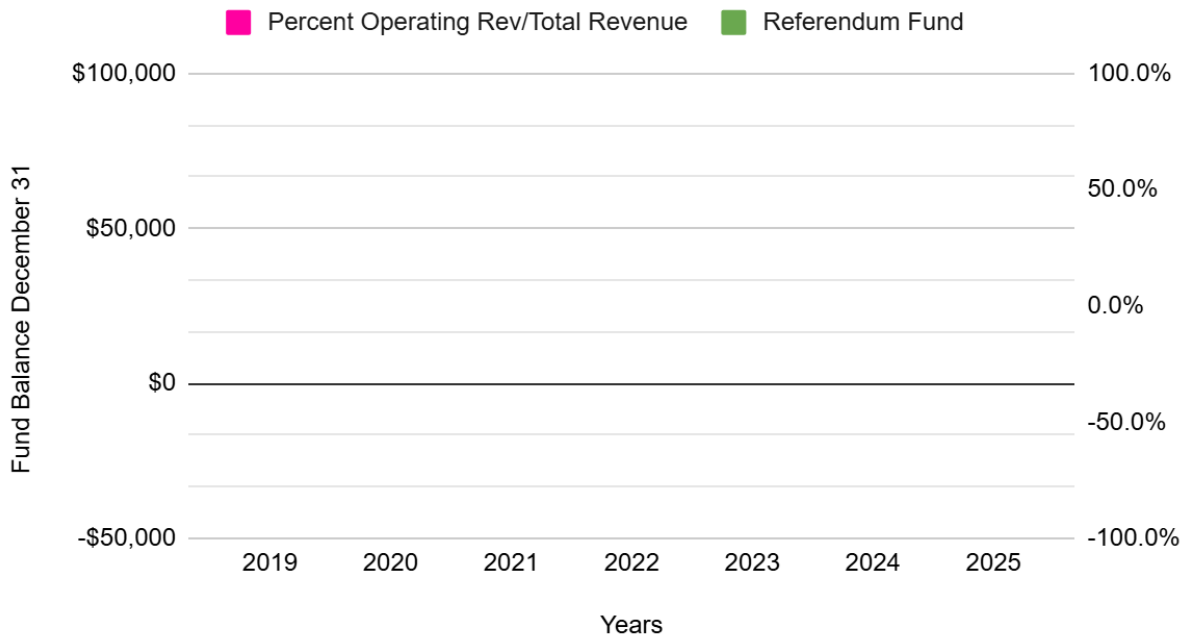
**Fund Balances as a Percent of Expenditures** – This indicator tells PTSC what percentage of the expenditures in Education and Operations could be paid for with the December cash balance of Education, Operations and Rainy Day. This year I decided to break this down by fund to see the full picture. For the Education Fund we try and maintain 8 – 10% to make sure we could cover wages if the state would miss a monthly tuition payment. We have tried to maintain between 35 – 40% December Cash balance in Operations because in April and November before we receive our advanced tax draw our cash balance percentage is below 5%.

## All Funds



**Revenue by Type** – This fiscal indicator shows where all our funds generate their revenue with state and local tax revenue being the greatest. As you can see, our biggest amount is generated from taxes and state funding.

## Operating Referendum Revenue



**Operating Referendum Revenue as Percent of Total Revenue** – PTSC does not currently have a referendum so there is no data to report.

For more detail on this report please go to [School Corporation DUAB Financial Indicators](#). Select Porter Township School Corporation in the drop-down menu. You can also go to my [Fiscal Indicator Google Sheet](#) for the breakdown discussed in this report. The summary of Fiscal Indicators is also attached separately in the board portal.

Respectfully submitted,

Kathleen B. Smith/CFO/Treasurer